

VZCZCXRO8935
RR RUEH DU RUEHJO
DE RUEHSA #1165/01 1541443
ZNR UUUUU ZZH
R 021443Z JUN 08
FM AMEMBASSY PRETORIA
TO RUEHC/SECSTATE WASHDC 4612
INFO RUEHJO/AMCONSUL JOHANNESBURG 8063
RUEHTN/AMCONSUL CAPE TOWN 5643
RUEH DU/AMCONSUL DURBAN 9854

UNCLAS SECTION 01 OF 04 PRETORIA 001165

DEPT FOR AF/S, AF/PD, R

SENSITIVE
SIPDIS

E.O. 12958: N/A

TAGS: [PREL](#) [CVIS](#) [PTER](#) [PHUM](#) [KPAO](#) [KDEM](#) [SF](#)

SUBJECT: THE SOUTH AFRICAN BROADCASTING CORPORATION (SABC): BACK TO THE FUTURE

[1](#)1. (SBU) SUMMARY: The South African Broadcasting Corporation (SABC) dominates broadcast media in South Africa, reaching 78% of radio listeners and 74% of TV viewers daily. It is currently engulfed in a battle for political control between the supporters of current South African President Thabo Mbeki and the new ANC leadership loyal to party president Jacob Zuma. The SABC has a long history as a government mouthpiece, dating back to the apartheid era. Despite efforts to recreate itself as a true "public" broadcaster after 1994, it gradually fell back into its previous role of state broadcaster and regime supporter. The internal infighting and political manipulation taking place currently are playing out very publicly in non-state print and broadcast media. It is unlikely that any reform of the SABC will take place until after the next national elections in early 2009, if then. END SUMMARY

[1](#)2. (SBU) SABC HISTORY: The South African Broadcasting Corporation (SABC) dominates the electronic media sector in both television and radio. Established by an act of parliament in 1976, it is a limited liability company funded partly by government and partly through a government-imposed levy known to the ordinary citizen as the "license," an obligatory tax for anyone who possesses a television set. The rest of the SABC's funding comes from advertising and sponsorships (76% according to the corporation) and other income-generating activities, such as rent for broadcast facilities and investments.

[1](#)3. (SBU) PHYSICAL STRUCTURE: The corporation occupies a huge 15-hectare complex in Johannesburg, dominated by a 36-story administration building and vast television and radio centers. It also has smaller broadcasting operations in all major urban areas and offices and studios in several towns.

[1](#)4. (SBU) The SABC employs a full-time staff of about 3,500 people including broadcasters, producers, technicians, journalists, accountants and legal advisers. Several thousand more people are engaged as freelancers.

[1](#)5. (SBU) THE SABC NETWORK: RADIO
The SABC's national radio network is made up of 18 radio stations. Fifteen of these are dedicated specifically to public service broadcasting, including:

- 11 full-spectrum stations, one in each of the official languages of South Africa;
- a cultural service for the Indian community broadcasting in English;
- a regional community station broadcasting in isiXhosa and English; and
- a community station broadcasting in the !Xu and Khwe languages of the KhoiSan people of the Northern Cape.

For its internal coverage, Radio News uses about 13 editorial offices, a country-wide network of about 1,300 correspondents, and

more than 2,000 news contacts.

¶6. (SBU) According to the All Media Products Survey (AMPS) which measures readership, viewership and listenership of the media in the country, SABC radio dominates South African broadcasting, attracting the largest audiences. Of the estimated 29 million adults in South Africa, more than 22 million listen to the radio every day, and over 19 million (or 78%) tune in to an SABC radio station.

¶7. (SBU) THE SABC NETWORK: TELEVISION

The SABC's television network is made up of five television channels three free-to-air and two pay-TV (SABC AFRICA and a new 24-hour news channel).

- Channels 1 and 2 are dedicated specifically to public broadcasting;
- Channel 3 is a public commercial broadcaster;
- The SABC AFRICA pay-TV channel is broadcast 24 hours-a-day and is Q-- The SABC AFRICA pay-TV channel is broadcast 24 hours-a-day and is available domestically on the encoded bouquet of the DSTV digital satellite platform. Its primary intended audience is regional African viewers, where it is available on cable systems; and
- The new 24 hour-a-day SABC News channel can only be viewed using a special decoder, which is difficult to find. Recent news reports indicate that this 2-month old news channel is already encountering major financial difficulties.

The three free-to-air channels attract more than 17 million adult viewers a day or 74% of total adult viewership, according to AMPS.

¶8. (SUB) SABC'S ORGANIZATIONAL STRUCTURE: The dominant decision-making body of the corporation is the Board of Directors, consisting of twelve non-executive members nominated by the Parliament and ratified by the President on the advice of the National Assembly, through the Parliamentary Committee on

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Communications. According to the SABC Act, Board members should be selected for their qualifications, expertise and experience in the fields of broadcasting, business practice and finance, entertainment and education, and social and labor issues. The President also selects the chairperson and deputy chairperson from among the twelve appointed members of the board. The term of office for each member is determined by the President but cannot exceed five years.

¶9. (SBU) The Board then appoints the Chief Executive Officer, the Chief Operating Officer, and the Chief Financial Officer: these together with other members (no less than 6, no more than 11) selected by the Board from within the ranks of SABC management form the Executive Committee responsible for administering the affairs of the Corporation and reporting to the Board. There is no clear process for dismissing members of the SABC Board.

¶10. (SBU) SABC BACKGROUND: The SABC was to all intents and purposes a government mouthpiece during the apartheid era and suffered from a corresponding lack of credibility. The SABC tried to recreate itself after 1994 as a true public broadcaster, not a "state broadcaster," with some initial success. The first SABC Board after apartheid is widely perceived to have been the best in the broadcaster's history, and its selection had been called "an extraordinarily democratic affair." Over 500 candidates were nominated, from which 45 were short-listed. The televised hearings of the 45 nominees drew some of the highest audience ratings in the SABC's history. The selection process ended up being tarnished by then President FW de Klerk, who vetoed six of the selected board members and appointed his own replacements.

¶11. (SBU) In the end, new President Nelson Mandela was able to reinstate some of the vetoed board members, but a bad precedent was set at the beginning, of politically motivated presidential interference in the board of directors' selection process. When the first board's mandate ran out, a new method of board selection was instituted, run by politicians, with the parliamentary select committee on communications interviewing the nominees and selecting a list of names for submission to the president. This selection method, most say, has gradually returned the SABC to its previous role as a "state broadcaster" and government tool, albeit for the

ANC, rather than de Klerk's National Party. Over the last seven to eight years, the corporation has been widely criticized by non-state print and electronic media, opposition political parties, NGOs, and the public for bias, mismanagement, and authoritarian attitudes towards its journalists. Those within the organization who continue the push for editorial independence are fewer and fewer, and they are marginalized. The political "split" within the ANC has both publicized and exacerbated the current sad state of the SABC.

¶12. (SBU) ANC POLITICAL INFIGHTING: THE POLOKWANE CONFERENCE: During the 52nd African National Congress (ANC) conference in Polokwane, Limpopo (December 16-20, 2007), the ruling party engaged in an internal battle over the selection of its new leader, who will likely succeed to the presidency of the country in the March 2009 national elections. President Thabo Mbeki, at the time holding both the office of ANC president and that of country president, was ousted by a large majority supporting former deputy president Jacob Zuma.

¶13. (SBU) The battle between the two factions is ongoing, has resulted in several dismissals of pro-Mbeki supporters in parliament and the rise of pro-Zuma supporters, and is playing out most publicly in the SABC. Despite the clear mandate for change within the ANC that was expressed in Polokwane, President Mbeki appointed a new SABC Board of Directors on December 22, 2007, just days after the Polokwane conference. The anger and shock among the new ANC leadership was fully reported in the media, though not to any extent on the SABC. The new Board took office on January 1, 2008 for a period of five years and met for the first time on March 6, 2008.

¶14. (SBU) Not only the new ANC leadership was unhappy. Prior to this, labor and civil society organizations complained in writing to President Mbeki about nominees. The organizations argued that the group of the nominees as a whole did not fully represent the country as intended in the Broadcasting Act. On September 26, 2007, the Congress of South African Trade Unions (Cosatu) General Secretary Zwelinzima Vavi also expressed dismay: "We are aware that there has been interference in the appointment of the SABC board. We had hoped we would get more independent thinkers onto the board, people who could withstand the pressure and the temptation to toe the state line, instead of acting as a proper public broadcaster." Cosatu strongly supported Zuma before, during and after the Polokwane Conference and is currently considering a court challenge to the composition of the Board.

¶15. (SBU) On December 24, 2007, the South African Communist Party issued a statement strongly condemning Mbeki's unilateral decision

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to appoint the new board. "As we said before, this is a board that has no broader working class and civil society representation, thus flouting the very Broadcasting Act it is supposedly serving under." (Note: Cosatu and the SACP are formally members of the ANC ruling coalition, and these organizations favored Zuma over Mbeki in Polokwane. End Note)

¶16. (SBU) THE CURRENT DISPUTE: The two figures at the center of the current SABC storm are SABC CEO Dali Mpofu and Managing Director of news and current affairs Snuki Zikalala. Mpofu is viewed as a once-strong Mbeki supporter who, since Polokwane, has been leaning towards Zuma. Zikalala - called a henchman, hitman, and bagman by his many enemies -- is painted by insiders who worked with him as a heartless bully and manipulator whose prime interest is power and intimidating the journalists and staff who work at the SABC. He is perceived to have stayed faithful to Mbeki and is believed, by former SABC staffers, to receive his orders from Presidential Minister without portfolio Essop Pahad.

¶17. (SBU) The SABC Board in general, and especially CEO Mpofu, have been in the line of fire since the end of February 2008, when the SABC Board testified in front of the Parliamentary Committee on Communications, which had been reshuffled after the Zuma victory. The MPs grilled them over the fact that the Polokwane victory speech of ANC President Jacob Zuma was "not transmitted properly." SABC CEO Dali Mpofu replied that technical glitches were to blame.

¶18. (SBU) On April 29, the Parliamentary Committee on Communications held another meeting with SABC executives (Chairwoman Khanyisiwe Mkhonza; CEO Mpofu; Chief Financial Officer Robin Nicholson; Acting Operations Officer Charlotte Mampane and two other board members) to discuss the future strategy of the corporation. The ANC members of the portfolio committee abruptly stopped the session and insisted that all 12 Board members appear in person the next day. On Wednesday, April 30, the ANC MPs in Parliament, at the behest of the Communications Committee, passed a vote of "no confidence" in the corporation's entire management board. However, the motion was not legally binding because, according to the Broadcasting Act, members of the Board can only be removed by the "appointing authority" -- the President -- after consultation with the Board and the National Assembly.

¶19. (SBU) SABC CEO Mpofu has also been under fire from the pro-Mbeki Chairman of the Board, Ms. Khanyisiwe Mkhonza. Mkhonza wrote a memorandum to Mpofu accusing him of defying the Board's directives and failing to prepare the organization to cover the 2010 World Cup.

The memo was leaked to the media, which published portions of it, including her criticisms that Mr. Mpofu's leadership has put the SABC at "risk of reaching a crisis, operationally, financially, in terms of governance." Mkhonza also raised concerns about an alleged R300 million (\$40 million) deficit in the SABC budget and the loss of the exclusive broadcast rights for the highly popular and lucrative Premier Soccer League. Other accusations include the failure to act against Managing Director of news and current affairs Snuki Zikalala over the "blacklist" scandal in 2006 in which Zikalala is accused of creating a blacklist of commentators banned from being shown on the SABC. Mpofu denies having received the memorandum but called the document "defamatory" and suggested that it had been leaked on instruction from a "member of the cabinet." Qit had been leaked on instruction from a "member of the cabinet."

¶20. (SBU) On May 6, Mpofu fired Zikalala, accusing him of giving another "confidential document" to ANC Treasurer General Matthew Phosa. The document in question relates to the firing of a senior employee at the Bloemfontein SABC office. Mpofu had instructed Zikalala to re-employ the person but Zikalala refused. Mpofu accused Zikalala of misconduct for leaking a classified and confidential internal document. The same day, the SABC Board suspended Mpofu with full pay for the reasons cited in Chairperson Mkhonza's memo (para 19). Mpofu took his dismissal to court, and was ordered reinstated in his job by Johannesburg High Court Judge Moroa Tsoka on May 19. The Judge ruled that the Board meeting at which Mpofu was suspended "had not been properly constituted." Although the SABC articles of association state that the SABC board comprised 12 non-executive directors and three executive directors, the Chairperson of the Board, Ms Kanyisiwe Mkhonza, had not invited executive members to the meeting. Judge Tsoka said; "It is disingenuous to refer to the meeting of 6 May as that of directors. Not all the directors were invited. I declare that the meeting of 6 May is unlawful." The Judge further ordered the SABC and Ms Mkhonza to pay Mpofu's legal costs.

¶21. (SBU) Mpofu has been back in his office ever since and stated that he wants to "extend a hand of friendship" to the Board. However, the Board considers Mpofu still suspended, and in the meantime it has lodged an appeal to dispute Judge Tsoka's ruling. The Board wants the appeal to be heard either by a full bench of the

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Johannesburg High Court or the Supreme Court of Appeals. They are seeking to appeal against "the whole of the judgment and order of May 19." The submissions include that Judge Tsoka erred in finding:

- That the relief sought by Mpofu constituted an urgent application;
- That the board meeting was not lawfully constituted; and
- That the SABC Board Chairperson's conduct fell short of standards required of an independent to act without fear or favor and deserved punitive costs, and that the neglect of the chairman to provide the applicant with a copy of memo impugned the integrity of the Board

Chairman.

¶22. (SBU) WHERE WE ARE NOW: May 30 brought more embarrassing revelations about the inner workings of the SABC and its disarray. Media reported that SABC senior staff have called for a commission of inquiry "to sort out the mess at the public broadcaster." A four-page memorandum, supposedly compiled by those with line management responsibilities, accuses the SABC Board of interfering with the SABC's "executive management team" and of "flagrantly disregarding the principles of corporate governance." The memo has reportedly been sent to ANC headquarters, Parliament and other "stakeholders."

¶23. (SBU) COMMENT: Although the SABC's current situation is universally characterized as a "factional political battle" between pro-Mbeki and pro-Zuma ANC supporters, the sad sub-text of all this is the widely-held belief inside the ANC that to the victor belongs the spoils--i.e., the Zuma faction won so it should have been able to appoint, or at least have input, into the composition of the SABC board. The internal problems of the SABC go back many years - the difference in the current situation is that from gossip and innuendo, often from fired or former employees, the battle and criticism is public and often from "official" sources. Veteran South African journalist and commentator Alistair Sparks noted in the May 14 Business Day newspaper, "It is the election system that is the root cause of the SABC's chronic malaise.... It must be removed from the political arena, where the ruling party will always dominate, and placed in the hands of an independent commission."

¶24. (SBU) As all groups involved (the SABC Board, SABC top management and the Parliamentary committee) are composed of ANC members on one or the other side of the leadership struggle, the current situation is unlikely to resolve itself before the March 2009 elections. Given the nature of ANC politics and the apparent lack of broad public interest and support for major changes in the public broadcaster, real change is unlikely in the foreseeable future. END COMMENT.

BOST